

Page 1 of 12
Denton County
Cynthia Mitchell
County Clerk
Denton, Tx 76202



70 2010 00071078

Instrument Number: 2010-71078

Recorded On: July 22, 2010

As
Oil & Gas

Parties: FMR TEXAS LIMITED PARTNERSHIP

To

Billable Pages: 10

Number of Pages: 10

Comment:

(Parties listed above are for Clerks reference only)

**** Examined and Charged as Follows: ****

Oil & Gas	47.00
Total Recording:	47.00

***** DO NOT REMOVE. THIS PAGE IS PART OF THE INSTRUMENT *****

Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY
because of color or race is invalid and unenforceable under federal law.

File Information:

Record and Return To:

Document Number: 2010-71078
Receipt Number: 705535
Recorded Date/Time: July 22, 2010 09:43:07A
User / Station: D Kitzmiller - Cash Station 2

HILLWOOD ENERGY
13600 HERITAGE PARKWAY
STE 200
FORT WORTH TX 76177



THE STATE OF TEXAS }
COUNTY OF DENTON }

I hereby certify that this instrument was FILED in the File Number sequence on the date/time
printed hereon, and was duly RECORDED in the Official Records of Denton County, Texas.

C. Mitchell

County Clerk
Denton County, Texas

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

Producers 88 - Paid Up
With 640 Acres Pooling Provision

**PAID UP OIL AND GAS LEASE
(No Surface Use)**

THIS LEASE AGREEMENT is made this 30th day of June, 2010, by and between FMR TEXAS LIMITED PARTNERHIP, 82 Devonshire Street, F7D, Boston, Massachusetts 02109-3614 as Lessor, and HILLWOOD ENERGY TEXAS, L.P., 13600 Heritage Parkway, Suite 200, Fort Worth, Texas, 76177 as Lessee. All printed portions of this lease were prepared by the party hereinabove named as Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by Lessor and Lessee.

1. In consideration of a cash bonus in hand paid and the covenants herein contained, Lessor hereby grants, leases and lets exclusively to Lessee the following land described in Exhibit "A" located in the Counties of Tarrant and Denton, State of Texas, (hereinafter called "leased premises") the lands included in this lease are estimated to comprise 249.648 acres, and the leased premises shall be deemed to contain that amount of acreage, whether more or less (including any interests therein which Lessor may hereafter acquire by reversion, prescription or otherwise), for the purpose of exploring for, developing, producing and marketing oil and gas, along with all hydrocarbon substances produced in association therewith; provided, however, that Lessee shall have no right to access or occupy the surface of the leased premises. The term "gas" as used herein includes helium, carbon dioxide and other commercial gases, as well as hydrocarbon gases. In addition to the above described leased premises, this lease also covers accretions and any small strips or parcels of land now or hereafter owned by Lessor which are contiguous or adjacent to the above described leased premises, and, in consideration of the aforementioned cash bonus, Lessor agrees to execute at Lessee's request any additional or supplemental instruments for a more complete or accurate description of the land so covered. For the purpose of determining the amount of any shut-in royalties hereunder, the number of gross acres above specified shall be deemed correct, whether actually more or less.

2. This lease, which is a "paid-up" lease, requiring no rentals, shall be in force for a primary term of one (1) year from the date hereof, and for as long thereafter as oil or gas or other substances covered hereby are produced in paying quantities from the leased premises or from lands pooled therewith or this lease is otherwise maintained in effect pursuant to the provisions hereof. If at the end of the primary term, or any extension thereof, there is no production in paying quantities from any portion of the leased premises, this lease shall terminate as to all such lands that are not within a drilling or proration unit (as set forth in Paragraph 6 below) that contains a well producing in paying quantities located on the leased premises or on lands pooled therewith.

3. Royalties on oil, gas and other substances produced and saved hereunder shall be paid by Lessee to Lessor as follows: (a) For oil and other liquid hydrocarbons separated at Lessee's separator facilities, the royalty shall be twenty five percent (25%) of such production, to be delivered at Lessee's option to Lessor at the wellhead or to Lessor's credit at the oil purchaser's transportation facilities, provided that Lessor shall have the continuing right to purchase such production at the wellhead market price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similar grade and gravity; (b) for gas (including casinghead gas) and all other substances covered hereby, the royalty shall be twenty five percent (25%) of the gross proceeds from the sale thereof, less a proportionate part of ad valorem taxes and production, severance, or other excise taxes. Lessor shall not bear any of the costs incurred by Lessee in delivering, gathering, compressing, treating, transporting, processing or otherwise marketing such gas or other substances, and provided further that Lessor shall have the continuing right to purchase such production at the prevailing market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) pursuant to comparable purchase contracts entered into on the same or nearest preceding date as the date on which Lessor commenced its purchases hereunder; and (c) if at the end of the primary term or any time thereafter one or more wells on the leased premises or lands pooled therewith are capable of producing oil or gas or other substances covered hereby in paying quantities, but such well or wells are either shut-in or production therefrom is not being sold by Lessee, such well or wells shall nevertheless be deemed to be producing in paying quantities for the purpose of maintaining this lease. If for a period of 90 consecutive days such well or wells are shut-in or production therefrom is not being sold by Lessee, then Lessee shall pay shut-in royalty of one hundred dollars (\$100.00) per acre then covered by this lease, such payment to be made to Lessor or to Lessor's credit in the depository designated below, on or before the end of said 90-day period and thereafter on or before each anniversary of the end of said 90-day period while the well or wells are shut-in or production therefrom is not being sold by Lessee; provided that if this lease is otherwise being maintained by operations, or if production is being sold by Lessee from another well or wells on the leased premises or lands pooled therewith, no shut-in royalty shall be due until the end of the 90-day period next following cessation of such operations or production. Lessee's failure to properly pay shut-in royalty shall operate to automatically terminate this lease.

4. All shut-in royalty payments under this lease shall be paid or tendered to Lessor or to Lessor's credit at Lessor's address above or its successors, which shall be Lessor's depository agent for receiving payments regardless of changes in the ownership of said land. All payments or tenders may be made in currency, or by check or by draft and such payments or tenders to Lessor or to the depository by deposit in the US Mails in a stamped envelope addressed to the depository or to the Lessor at the last address known to Lessee shall constitute proper payment. If the depository should liquidate or be succeeded by another institution, or for any reason fail or refuse to accept payment hereunder, Lessor shall, at Lessee's request, deliver to Lessee a proper recordable instrument naming another institution as depository agent to receive payments.

5. If Lessee drills a well which is incapable of producing in paying quantities (hereinafter called "dry hole") on the leased premises or lands pooled therewith, or if all production (whether or not in paying quantities) permanently ceases from any cause, including a revision of unit boundaries pursuant to the provisions of Paragraph 6 or the action of any governmental authority, then in the event this lease is not otherwise being maintained in force it shall nevertheless remain in force if Lessee commences operations for reworking an existing well or for drilling an additional well or for otherwise obtaining or restoring production on the leased premises or lands pooled therewith within 90 days after completion of operations on such dry hole or within 90 days after such cessation of all production. If at the end of the primary term, or at any time thereafter, this lease is not otherwise being maintained in force but Lessee is then engaged in drilling, reworking or any other operations reasonably calculated to obtain or restore production therefrom, this lease shall remain in force so long as any one or more of such operations are prosecuted with no cessation of more than 90 consecutive days, and if any such operations result in the production of oil or gas or other substances covered hereby, as long thereafter as there is production in paying quantities from the leased premises or lands pooled therewith. After completion of a well capable of producing in paying quantities hereunder, Lessee shall drill such additional wells on the leased premises or lands pooled therewith as a reasonably prudent operator would drill under the same or similar circumstances to (a) develop the leased premises as to formations then capable of producing in paying quantities on the leased premises or lands pooled therewith, or (b) to protect the leased premises from uncompensated drainage by any well or wells located on other lands not pooled therewith. There shall be no covenant to drill exploratory wells or any additional wells except as expressly provided herein.

6. Lessee shall have the right but not the obligation to pool all or any part of the leased premises or interest therein with any other lands or interest, as to any or all depths or zones, and as to any or all substances covered by this lease, either before or after the commencement of production, whenever Lessee deems it necessary or proper to do so in order to prudently develop or operate the leased premises, whether or not similar pooling authority exists with respect to such other lands or interests. The unit formed by such pooling for an oil well which is not a horizontal completion shall not exceed 40 acres plus a maximum acreage tolerance of 10%, and for a gas well or a horizontal completion shall not exceed 120 acres plus a maximum acreage tolerance of 10%; provided that a larger unit may be formed for an oil well or gas well or horizontal completion to conform to any well spacing or density pattern that may be prescribed or permitted by any governmental authority having jurisdiction to do so. For the purpose of the foregoing, the terms "oil well" and "gas well" shall have the meanings prescribed by applicable law or the appropriate governmental authority, or, if no definition is so prescribed, "oil well" means a well with an initial gas-oil ratio of less than 100,000 cubic feet per barrel and "gas well" means a well with an initial gas-oil ratio of 100,000 cubic feet or more per barrel, based on 24-hour production test conducted under normal producing conditions using standard lease separator facilities or equivalent testing equipment; and the term "horizontal completion" means an oil well in which the horizontal component of the gross completion interval in the reservoir exceeds the vertical component thereof. In exercising its pooling rights hereunder, Lessee shall file of record a written declaration describing the unit and stating the effective date of pooling. Production, drilling or reworking operations anywhere on a unit which includes all or any part of the leased premises shall be treated as if it were production, drilling or reworking operations on the leased premises, except that the production on which Lessor's royalty is calculated shall be the proportion of the total unit production which the net acreage covered by this lease and included in the unit bears to the total gross acreage in the unit, but only to the extent such proportion of unit production is sold by Lessee. Pooling in one or more

instances shall not exhaust Lessee's pooling rights hereunder, and Lessee shall have the recurring right but not the obligation to revise any unit formed hereunder by expansion or contraction or both, either before or after commencement of production, all in Lessee's sole discretion. In making such a revision, Lessee shall file of record a written declaration describing the revised unit and stating the effective date of revision. To the extent any portion of the leased premises is included or excluded from the unit by virtue of such revision, the proportion of unit production on which royalties are payable hereunder shall thereafter be adjusted accordingly. In the absence of production in paying quantities from a unit, or upon permanent cessation thereof, Lessee may terminate the unit by filing of record a written declaration describing the unit and stating the date of termination. Pooling hereunder shall not constitute a cross-conveyance of interests.

7. If Lessor owns less than the full mineral estate in all or any part of the leased premises, the royalties and shut-in royalties payable hereunder for any well on any part of the leased premises or lands pooled therewith shall be reduced to the proportion that Lessor's interest in such part of the leased premises bears to the full mineral estate in such part of the leased premises.

8. The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area and/or by depth or zone, and the rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns; provided, however, that Lessee may not assign any portion of its interest in this lease without the prior written consent of Lessor. No change in Lessor's ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 30 days after Lessee has been furnished the original or certified or duly authenticated copies of the documents establishing such change of ownership to the satisfaction of Lessee or until Lessor has satisfied the notification requirements contained in Lessee's usual form of division order. In the event of the death of any person entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to the credit of decedent or decedent's estate in the depository designated above. If Lessee transfers its interest hereunder in whole or in part Lessee shall be relieved of all obligations thereafter arising with respect to the transferred interest, and failure of the transferee to satisfy such obligations with respect to the transferred interest shall not affect the rights of Lessee with respect to any interest not so transferred. If Lessee transfers a full or undivided interest in all or any portion of the area covered by this lease, the obligation to pay or tender shut-in royalties hereunder shall be divided between Lessee and the transferee in proportion to the net acreage interest in this lease then held by each.

9. Lessee may, at any time and from time to time, deliver to Lessor or file of record a written release of this lease as to a full or undivided interest in all or any portion of the area covered by this lease or any depths or zones thereunder, and shall thereupon be relieved of all obligations thereafter arising with respect to the interest so released. If Lessee releases all or an undivided interest, in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced in accordance with the net acreage interest retained hereunder.

10. In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises or lands pooled or unitized herewith, in primary and/or enhanced recovery, Lessee shall have the rights of ingress and egress along with the right to conduct such operations below the surface of the ground on the leased premises as may be reasonably necessary for such purposes, including but not limited to the drilling of wells deemed necessary by Lessee to discover and produce production. Lessee may use in such operations, free of cost, any oil, gas, water, and/or other substances produced on the leased premises, except water from Lessor's wells or ponds. In exploring, developing, producing or marketing from the leased premises or lands pooled therewith, the ancillary rights granted herein shall apply to the leased premises described in Paragraph 1 above that remain in effect, notwithstanding any partial release of other partial termination of this lease. No well shall be located less than 1000 feet from any building or structure now on the leased premises or other lands used by Lessee hereunder, without Lessor's consent, and Lessee shall pay for damage caused by its operations to the building and other improvements now on the leased premises or such other lands, and to commercial timber and growing crops thereon.

11. Lessee's obligations under this lease, whether express or implied, shall be subject to all applicable laws, rules, regulations and orders of any governmental authority having jurisdiction including restrictions on the drilling and production of wells, and the price of oil, gas, and other substances covered hereby. When drilling, reworking, production or other operations are prevented or delayed by such laws, rules, regulations or orders, or by inability to obtain necessary permits, equipment, services, material, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike or labor disputes, or by inability to obtain a satisfactory market for production or failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control, this lease shall not terminate because of such prevention or delay, and at Lessee's option, the period of prevention or delay actually experienced by Lessee and of which Lessor has been notified in writing at the time of such event shall be added to the term hereof. Lessee shall not be liable for breach of any express or implied covenants of this lease when drilling, production or other operations are so prevented, delayed or interrupted.

12. No litigation shall be initiated by Lessor with respect to any breach or default by Lessee hereunder, for a period of at least thirty (30) days after Lessor has given Lessee written notice fully describing the breach or default, and then only if Lessee fails to remedy the breach or default, within such period. In the event the matter is litigated and there is a final judicial determination that a breach or default has occurred, this lease shall not be forfeited or canceled in whole or in part unless Lessee is given a reasonable time after said judicial determination to remedy the breach of default and Lessee fails to do so. The foregoing provisions of this Paragraph shall not apply to any express automatic termination provisions of this lease.

13. For the same consideration recited above, Lessor hereby grants, assigns and conveys unto Lessee, its successors and assigns, a perpetual subsurface easement under and through the leased premises for the placement of well bores (along routes selected by Lessee) from oil or gas wells the surface locations of which are situated on other tracts of land that are not part of the leased premises and from such other tracts Lessor shall have no right to royalty or other benefit.

14. Lessor agrees that Lessee at Lessee's option may pay and discharge any taxes, mortgages or liens existing, levied or assessed on or against the leased premises. If Lessee exercises such option, Lessee shall be subrogated to the rights of the party to whom payment is made, and, in addition to its other rights, may reimburse itself out of any royalties or shut-in royalties otherwise payable to Lessor hereunder. In the event Lessee is made aware of any claim inconsistent with Lessor's title, Lessee may suspend the payment of royalties and shut-in royalties hereunder, without interest, until Lessee has been furnished satisfactory evidence that such claim has been resolved. In the event the leased premises are encumbered by a mortgage, then prior to the payment of any royalties due hereunder, Lessor agrees to obtain a subordination of mortgage, at Lessor's expense, in a form acceptable to Lessee.

15. Notwithstanding anything contained to the contrary in this lease, Lessee shall not have any rights to use the surface of the leased premises for drilling or other operations.

16. Lessor has the on-going right, but not the obligation, to exercise from time to time a call on production for all natural gas produced from the leased premises or from lands pooled therewith. Lessor shall notify Lessee in writing no less than thirty (30) days prior to the exercise or termination of Lessor's call on production right hereunder. For any natural gas delivered to Lessor pursuant to the terms of this Paragraph 16, Lessor shall pay to Lessee an amount that is equal to the price (\$/mmbtu) that Lessee is then receiving for natural gas sold to a third-party bona fide purchaser for value under an arm's length purchase and sales contract for natural gas sold from the leased premises or from other lands in the same area as the leased premises. Lessee shall provide to Lessor a copy of the purchase and sales contract that serves as the basis for the price of such produced natural gas. The sale of natural gas to Lessor shall occur at the lease premises, and Lessor shall not bear any of the post-production costs identified in Paragraph 3 above. Lessor shall bear all costs necessary to meter and receive all natural gas volumes delivered pursuant to this Paragraph 16.

17. Lessee shall indemnify and hold Lessor harmless from and against any and all damages of any kind or nature that may occur to Lessor's property or improvements thereon, including but not limited to buildings, structures, facilities, utilities, and any other improvements whether similar or dissimilar, resulting directly or indirectly from Lessee's activities adjacent to or underneath the surface of the leased premises. Lessee, at its own expense, shall procure and maintain during the term of this lease insurance policies to cover all potential damages to Lessor and its property and improvements, include the following coverage:

- (a) Worker's Compensation insurance for its own employees that meets the statutory limits of the states in which vendor/supplier operates and all federal statutes and regulations, if applicable;
- (b) Employer's Liability of not less than \$1,000,000 combined single limit per occurrence, if applicable;
- (c) Commercial General Liability of not less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate including contractual liability;
- (d) Comprehensive Automobile Liability including coverage for hired, non-owned and leased vehicles with a combined single limit of \$1,000,000 per occurrence;
- (e) Umbrella or Excess Liability Insurance providing coverage in excess of the coverage listed in (c) and (d) above in an amount not less than \$5,000,000 per occurrence;
- (f) Control of Well Insurance- of not less than \$1,000,000 per occurrence for care, custody and control, - of not less than \$5,000,000 per occurrence for drilling and deepening of wells.

FMR Texas Limited Partnership, FMR LLC, and all subsidiary and affiliated companies are to be named as an additional insured as their interest may appear under (c), (d), and (e) above. All coverage listed above shall apply on a primary basis and include a waiver of subrogation in favor of Lessor. Lessee shall furnish to Lessor certificates of insurance evidencing such coverage. All certificates shall provide thirty (30) days written

notice to Lessor prior to the effective date of any termination of coverage. Nothing in this section shall deem to limit the Lessee's liability to the amounts stated above or to limit any coverage of Vendor/Supplier's insurance policies.

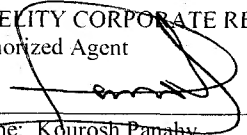
18. Lessee is hereby given the option to extend the primary term of the lease for an additional six (6) months from the expiration of the original primary term hereof. This option may be exercised by Lessee at any time during the original primary term by paying the sum of One Thousand and No/100 Dollars (\$1,000.00) per net acre to Lessor. This payment may be made by check of Lessee mailed or delivered to Lessor at the address listed herein. Should this option be exercised as herein provided, it shall be considered for all purposes as though this lease originally provided for a primary term of eighteen (18) months.

19. Should Lessee conduct or have conducted any environmental quality testing, Lessee shall provide Lessor with the results of said test. Additionally, if remedial measures are required as a result of said testing, Lessee shall promptly comply with all applicable legal obligations to remedy any areas of concern or conditions resulting from or discovered by the test(s).

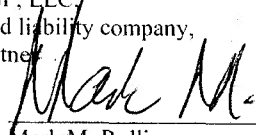
IN WITNESS WHEREOF, this lease is executed to be effective as of the date first written above, but upon execution shall be binding on the signatory and the signatory's heirs, devisees, executors, administrators, successors, and assigns, whether or not this lease has been executed by all parties hereinabove named as Lessor.

FMR TEXAS LIMITED PARTNERSHIP

By: FIDELITY CORPORATE REAL ESTATE, INC.
Its: Authorized Agent

By: 
Name: Kourosh Panahy
Title: Senior Vice President

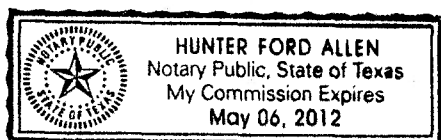
Hillwood Energy Texas, L.P.,
a Texas limited partnership


By: HW Energy GP, LLC,
a Texas limited liability company,
its general partner
By: 
Name: Mark M. Rollins
Title: Executive Vice President

ACKNOWLEDGEMENTS

STATE OF TEXAS
COUNTY OF TARRANT

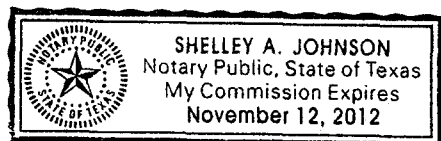
ON THIS 19th day of July, 2010, before me appeared Mark Rollins to me personally known, who, being by me duly sworn, did say that he is the Executive Vice President of HILLWOOD ENERGY TEXAS, L.P. and that said instrument was signed in behalf of said limited partnership by authority of its members and said appearer acknowledged said instrument to be the free act and deed of said limited partnership.

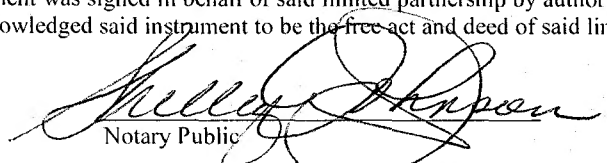



Notary Public

STATE OF TEXAS
COUNTY OF TARRANT

ON THIS 19 day of July, 2010, before me appeared Kourosh Panahy, Senior Vice President of Fidelity Real Estate Company, the general partner of FMR TEXAS LIMITED PARTNERSHIP, to me personally known, who, being by me duly sworn, did say that (s)he is the Senior Vice President of Fidelity Real Estate Company, the general partner of FMR TEXAS LIMITED PARTNERSHIP, and that said instrument was signed in behalf of said limited partnership by authority of its members and/or Board of Directors and said appearer acknowledged said instrument to be the free act and deed of said limited partnership.




Notary Public

Please Return To
Hillwood Energy
13600 Heritage Parkway
Suite 200
Ft Worth TX 76177

Exhibit "A"

Attached to and made a part of that certain Paid Up Oil And Gas Lease dated June 30, 2010, by and between FMR Texas Limited Partnership, L.P., Lessor, and Hillwood Energy Texas, L.P., as Lessee, covering 249.648 acres of land, more or less, in Tarrant and Denton Counties, Texas.

Parcel 1

Being a tract of land situated in the Charles Medlin Survey, Abstract Number 823 (Denton County), Abstract Number 1084 (Tarrant County), the Memucan Hunt Survey, Abstract Number 756 (Tarrant County) and the J. Bacon Survey, Abstract Number 2026 (Tarrant County), Town of Westlake, Denton and Tarrant Counties, Texas and being all of the tract of land conveyed to Hillwood/1088, Ltd., recorded in Volume 12260, page 1948 of Deed Records, Tarrant County, Texas, and being a portion of that tract of land conveyed to Hillwood/Willow Bend, Ltd., recorded in Volume 11316, Page 2235 of Deed Records, Tarrant County, Texas, and under county clerk's number 93-R0075228 of Real Property Records, Denton County, Texas, all of that tract of land conveyed to Scott Bradley and Kelly Pace Bradley, recorded in Volume 6395, Page 67 of said Deed Records and all of a called half acre tract of land conveyed to Edward T. Dicker and wife, Nannette Dicker, recorded in Volume 3053, Page 164 of said Deed Records and being more particularly described by metes and bounds as follows:

BEGINNING at a railroad spike, found at the intersection of the approximate centerline of Precinct Line Road (a variable width right-of-way) and the centerline of Roanoke-Dove Road (a called 50 foot right-of-way), and being the Southeast corner of said Hillwood/1088 Tract;

THENCE S 01 degree 47 minutes 50 seconds W, 432.02 feet, with the East line of said Hillwood/Willow Bend Tract, to a 5/8 inch iron rod with plastic cap, stamped "Carter & Burgess", found;

THENCE N 80 degrees 10 minutes 38 seconds W, 161.68 feet, to a 5/8 inch iron [rod] with plastic cap stamped "Carter & Burgess", found at the beginning of a curve to the right;

THENCE with said curve to the right, an arc distance of 466.34 feet, through a central angle of 26 degrees 52 minutes 50 seconds, having a radius of 994.00 feet, the long chord of which bears N 66 degrees 44 minutes 13 seconds W, 462.07 feet, to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess" found;

THENCE N 53 degrees 17 minutes 48 seconds W, 41.67 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found at the beginning of a curve to the left;

THENCE with said curve to the left, an arc distance of 472.87 feet, through a central angle of 24 degrees 37 minutes 50 seconds, having a radius of 1100.00 feet, the long chord of which bears N 65 degrees 36 minutes 43 seconds W, 469.24 feet, to a railroad spike, found in the South line of said Hillwood/1088 Tract, in the approximate centerline of Roanoke-Dove Road;

THENCE with the approximate centerline of Roanoke-Dove Road the following bearings and distances:

S 89 degrees 50 minutes 03 seconds W, 884.67 feet, to a railroad spike found;

N 86 degrees 34 minutes 52 seconds W, 550.83 feet to a railroad spike found;

N 82 degrees 28 minutes 16 seconds W, 252.07 feet to a railroad spike found;

S 65 degrees 50 minutes 11 seconds W, 562.77 feet to a railroad spike found;

S 71 degrees 04 minutes 02 seconds W, 198.77 feet to a railroad spike found;

THENCE N 11 degrees 01 minute 26 seconds W, 589.37 feet, departing said approximate centerline, to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

THENCE N 00 degrees 26 minutes 55 seconds W, 573.79 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

THENCE N 17 degrees 09 minutes 12 seconds E, 1518.12 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

THENCE N 09 degrees 07 minutes 25 seconds W, 892.93 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found at the beginning of a non-tangent curve to the left;

THENCE with said non-tangent curve to the left, an arc distance of 1369.14 feet, through a central angle of 58 degrees 52 minutes 17 seconds, having a radius of 1332.50 feet, the long chord of which bears N 49 degrees 12 minutes 42 seconds E, 1309.71 feet, to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

THENCE N 19 degrees 46 minutes 33 seconds E, 318.45 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found in the southerly right-of-way of State Highway 114 (a variable width right-of-way), from which a Texas Department of Transportation brass disc bears, S 70 degrees 39 minutes 43 seconds W, 21.56 feet;

THENCE with said southerly right-of-way the following courses and distances:

N 70 degrees 39 minutes 43 seconds E, 64.29 feet to a Texas Department of Transportation brass disc, found at the beginning of a non-tangent curve to the left;

With said non-tangent curve to the left, an arc distance of 443.43 feet, through a central angle of 04 degrees 25 minutes 08 seconds, having a radius of 5749.58 feet, the long chord of which bears S 72 degrees 08 minutes 30 seconds E, 443.32 feet, to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

S 63 degrees 32 minutes 03 seconds E, 238.74 feet to a Texas Department of Transportation brass disc, found;

N 84 degrees 41 minutes 23 seconds E, 154.28 feet to a Texas Department of Transportation brass disc, found;

S 76 degrees 41 minutes 49 seconds E, 119.54 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

S 45 degrees 55 minutes 45 seconds E, 116.36 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

S 75 degrees 22 minutes 11 seconds E, 296.05 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", found;

N 69 degrees 29 minutes 26 seconds E, 98.90 feet to a Texas Department of Transportation brass disc, found at the beginning of a non-tangent curve to the left;

With said non-tangent curve to the left, an arc distance of 204.65 feet, through a central angle of 02 degrees 03 minutes 13 seconds, having a radius of 5709.58 feet, the long chord of which bears S 72 degrees 10 minutes 21 seconds E, 204.64 feet, to a Texas Department of Transportation brass disc, found;

S 71 degrees 03 minutes 31 seconds E, 736.07 feet to a railroad spike, found at the northeast corner of said Hillwood/Willow Bend tract, in the approximate centerline of aforementioned Precinct Line Road;

THENCE S 00 degrees 30 minutes 00 seconds E, 1386.00 feet to a 1/2 inch iron rod, found;

THENCE S 23 degrees 55 minutes 44 seconds W, 87.29 feet to a 3/8 inch iron rod, found;

THENCE N 89 degrees 19 minutes 34 seconds W, 61.48 feet to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", set at the Northeast corner of aforementioned Dicker Tract;

THENCE S 27 degrees 00 minutes 00 seconds W, 152.65 feet, with the East line of said Dicker Tract, to a 5/8 inch iron rod with plastic cap stamped "Carter & Burgess", set in the East line of aforementioned Bradley Tract;

THENCE S 00 degrees 16 minutes 19 seconds W, 2147.22 feet with the approximate centerline of said Precinct Line Road, to the Point of Beginning and Containing 13,734.732 square feet or 315.306 acres of land.

SAVE AND EXCEPT Lot 1 (87.725 acres more or less) of the Fidelity Investments Addition Phase I, an addition to the Town of Westlake, Tarrant County, Texas according to the map or plat thereof recorded in Cabinet A, Slide 1104, Plat Records, Tarrant County, Texas.

Parcel 2

BEING a tract of land situated in the C.M. THROOP SURVEY, ABSTRACT No. 1510, the W. MEDLIN SURVEY, ABSTRACT No. 1958, and the WILLIAM PEA SURVEY, ABSTRACT No. 1246, Tarrant County, Texas and in the WILLIAM PEA SURVEY, ABSTRACT No. 1045, and the W. MEDLIN SURVEY, ABSTRACT No. 1588, Denton County, Texas and being a portion of that tract of land as described in the Special Warranty Deed to MTP-IBM PHASE II and III JOINT VENTURE as recorded in Volume 8995, Page 1268 of the Deed Records of Tarrant County, Texas and being more particularly described as follows:

COMMENCING at a 5/8 inch iron rod with cap stamped "Carter & Burgess", found at the southwest corner of Lot 1, Block 3, Westlake/Southlake Park Addition No. 1, an addition to the Town of Westlake, Texas as recorded in Volume 388-214, Page 78 & 79 of the Plat Records of Tarrant County, Texas, same being the southeast corner of said MTP-IBM Phase II and III tract;

THENCE, North 89 degrees 57 minutes 44 seconds West, along the southerly line of said MTP-IBM Phase II and III Joint Venture tract, a distance of 200.93 feet to a point for a corner from which a 1 inch iron rod found bears North 59 degrees 11 minutes 44 seconds West, 0.35 feet;

THENCE, North 00 degrees 20 minutes 49 seconds East, along the southerly line of said MTP-IBM Phase II and III Joint Venture tract, a distance of 45.01 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess";

THENCE, North 89 degrees 39 minutes 10 seconds West, along the southerly line of said MTP-IBM Phase II and III Joint Venture tract and along the northerly right-of-way line of Roanoke Dove Road (variable width right-of-way), a distance of 1,346.51 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess" and being the beginning of a curve to the right having a central angle of 89 degrees 45 minutes 10 seconds, a radius of 154.38 feet and being subtended by a 217.85 foot chord which bears North 44 degrees 46 minutes 35 seconds West;

THENCE, in a northwesterly direction along the northeasterly right-of-way line of Roanoke Dove Road and along said curve to the right, an arc distance of 241.83 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess" at the end of said curve and also being on the easterly right-of-way line of Precinct Line Road (variable width right-of-way);

THENCE, along the westerly line of said MTP-IBM Phase II and III Joint Venture Tract and along the easterly right-of-way line of Precinct Line Road the following:

North 00 degrees 06 minutes 00 seconds East, a distance of 977.90 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess";

North 00 degrees 08 minutes 31 seconds West, a distance of 394.37 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess";

North 00 degrees 10 minutes 13 seconds West, a distance of 289.94 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars", the POINT OF BEGINNING;

THENCE, continuing along the westerly line of said MTP-IBM Phase II and III Joint Venture Tract and along the easterly right-of-way line of Precinct Line Road the following:

North 00 degrees 10 minutes 13 seconds West, a distance of 261.73 feet to a 5/8 inch iron rod found with cap stamped "Huitt-Zollars";

North 02 degrees 20 minutes 32 seconds East, a distance of 554.17 feet to a 1/2 inch iron rod found;

North 28 degrees 49 minutes 02 seconds East, a distance of 164.88 feet to a 1/2 inch iron rod found with cap stamped "RPLS No. 2912";

North 23 degrees 30 minutes 55 seconds East, a distance of 98.16 feet to a 5/8 inch iron rod found with cap stamped "Huitt-Zollars";

North 12 degrees 46 minutes 54 seconds East, a distance of 100.00 feet to a 5/8 inch iron rod found with cap stamped "Carter & Burgess";

North 00 degrees 16 minutes 18 seconds West, a distance of 993.50 feet to a 5/8 inch iron rod found on an interior northerly line of said MTP-IBM Phase II and III Joint Venture Tract;

THENCE, departing the easterly right-of-way line of said Precinct Line Road and along an interior northerly line of said MTP-IBM Tract, North 89 degrees 47 minutes 00 seconds East, a distance of 258.02 feet to a 5/8 inch iron rod found;

THENCE, along an interior westerly line of said MTP-IBM Phase II and III Joint Venture Tract, North 00 degrees 30 minutes 28 seconds West, a distance of 186.34 feet to a Texas Department of Transportation monument found on the southwesterly right-of-way line of State Highway No. 114 (variable width right-of-way), as described in Donation Deed to the State of Texas as recorded in Volume 10591 Page 857 of the Deed Records of Tarrant County, Texas;

THENCE, along the southwesterly right-of-way line of State Highway No. 114 as described in said Donation Deed, the following:

South 63 degrees 04 minutes 29 seconds East, a distance of 144.15 feet to a 5/8 inch iron rod found in concrete;

South 49 degrees 15 minutes 26 seconds East, a distance of 107.70 feet to a point for a corner from which a Texas Department of Transportation monument found bears North 46 degrees 07 minutes 39 seconds West, 0.50 feet;

South 71 degrees 03 minutes 31 seconds East, a distance of 100.00 feet to a Texas Department of Transportation monument found;

South 80 degrees 53 minutes 41 seconds East, a distance of 234.54 feet to a Texas Department of Transportation monument found;

South 29 degrees 05 minutes 17 seconds East, a distance of 52.33 feet to a point for a corner from which a Texas Department of Transportation monument found bears South 55 degrees 49 minutes 16 seconds West, 0.80 feet;

South 18 degrees 56 minutes 29 seconds West, a distance of 30.00 feet to a point for a corner from which a Texas Department of Transportation monument found bears South 17 degrees 46 minutes 53 seconds West, 0.61 feet;

South 71 degrees 03 minutes 31 seconds East, a distance of 60.00 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars";

THENCE, departing the southwesterly right-of-way line of State Highway No. 114 South 19 degrees 01 minutes 54 seconds West, a distance of 335.03 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars" at the beginning of a curve to the right having a central angle of 09 degrees 44 minutes 51 seconds, a radius of 1,050.00 feet and being subtended by a 178.42 foot chord which bears South 23 degrees 53 minutes 17 seconds West;

THENCE, along said curve to the right in a southwesterly direction, an arc distance of 178.63 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars" at the end of said curve;

THENCE, South 28 degrees 45 minutes 43 seconds West, a distance of 595.41 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars" at the beginning of a curve to the right having a central angle of 15 degrees 56 minutes 56 seconds, a radius of 1050.00 feet and being subtended by a 291.34 foot chord which bears South 36 degrees 45 minutes 01 seconds West;

THENCE, along said curve to the right in a southwesterly direction, an arc distance of 292.28 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars" at the end of said curve;

THENCE, South 44 degrees 42 minutes 25 seconds West, a distance of 109.52 feet to [a] 5/8 inch iron rod set with cap stamped "Huitt-Zollars" and being the beginning of a curve to the left having a central angle of 43 degrees 29 minutes 49 seconds, a radius of 1050.00 feet and being subtended by a 778.12 foot chord which bears South 22 degrees 58 minutes 18 seconds West;

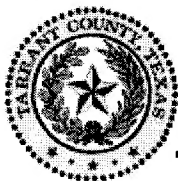
THENCE, along said curve to the left in a southwesterly direction, an arc distance of 797.12 feet to the POINT OF BEGINNING and containing 22.067 acres of land, more or less.

I, Cynthia Mitchell, County Clerk of Denton County, Texas, do hereby certify that the attached instrument (Clerk's File No. 2010-71078) consisting of 10 pages is a true and correct copy of the original on file and of record in my office.

Dated this 22 day of July, 2010
Cynthia Mitchell, County Clerk
BY: [Signature] Deputy

SUZANNE HENDERSON

COUNTY CLERK



100 West Weatherford Fort Worth, TX 76196-0401

PHONE (817) 884-1195

HILLWOOD ENERGY
13600 HERITAGE PKWY, STE 200
FT WORTH, TX 76177

Submitter: MITZI HARMON

DO NOT DESTROY
WARNING - THIS IS PART OF THE OFFICIAL RECORD.

Filed For Registration: 7/28/2010 2:21 PM

Instrument #: D210181920

LSE

12

PGS

\$56.00

By: _____

A handwritten signature in cursive script, appearing to read "Suzanne Henderson", is written over a horizontal line.

D210181920

ANY PROVISION WHICH RESTRICTS THE SALE, RENTAL OR USE OF THE DESCRIBED REAL PROPERTY
BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.

Prepared by: SLDAVES